## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of	) FEDERAL COMMUNICATIONS COMMISSION OF THE SECRETARY
COMSAT CORPORATION Maritime Telecommunications Network, Inc., and William L. Whitely Petitions	) ) 1-SAT-ISP-96 )
for Reconsideration PanAmSat Corporation Application for Review	) ) 99-SAT-ISP-96 )
Comsat Corporation Notification of Corporate Reorganization	) 31-SAT-ISP-97
Comsat Corporation Notification of Corporate Reorganization	) 196-SAT-ISP-97 )
WILLIAM L. WHITELY Request for Declaratory Ruling	) ) 117-SAT-DR-96
WILLIAM J. HALLENBECK Request for Declaratory Ruling	) ) 118-SAT-DR-96
COMMITTEE TO RESTRUCTURE THE INTERNATIONAL SATELLITE ORGANIZATIONS	) )
Petition to Enjoin Comsat Payment of Dividends from Retained Earnings, as amended	64-SAT-DR-97
Emergency Petition to Enjoin Comsat from Using Legal Process, as amended	65-SAT-DR-97
BELCOM MINORITY SHAREHOLDERS AND CLAIMANTS COMMITTEE Petition for Investigation	) )
and Issuance of a Declaratory Ruling	73-SAT-DR-97
PANAMSAT CORPORATION	) ) ) (CC Dooleat No. 00 C24
Petition to Reopen Changes in the Corporate Structure and	) CC Docket No. 80-634
Operations of the Communications Satellite Corporation	No. of Copies rec'd O++ List A B C D E

COMSAT Corporation ("COMSAT") hereby files its Opposition to the "Response to Reply of COMSAT Corporation and Petition for Directed Ruling based on Admission against Interest by COMSAT Corporation" (hereafter "Petition") filed in this proceeding by William J. Hallenbeck, William L. Whitely, and the so-called Litigation Recovery Trust ("LRT"). The Petition is unsigned, but identifies Scott H. Robb as attorney for the petitioners. It is dated June 28, 2000, but the accompanying certificate of service (also unsigned) is dated June 29, 2000. COMSAT received a copy of the Petition on July 6, 2000.

Petitioners seek the "immediate intervention" of the Commission based on an alleged "admission against interest filed as a reply" by COMSAT in this proceeding. Petition at 1-2. In fact, that alleged admission was contained in an "Opposition to Request for Issuance of Corrected Memorandum Opinion and Order" ("Opposition") filed by COMSAT on April 10, 1998 - over two years ago. COMSAT has filed a Motion to Strike on the ground that the Petition is grossly untimely. However, if the Commission does consider the Petition, it should be dismissed as without merit.

COMSAT has made no "admission against interest" warranting Commission intervention - immediate or otherwise. According to

petitioners, that so-called admission was that "no capitalization plan submitted by it ever gave Comsat 'specific authority to purchase a majority interest in Belcom[.]'" Petition at 4.

However, as petitioners concede (Petition at 3-4), the Commission has already held that it "does not currently require Comsat to receive prior authorization for specific acquisitions of entities such as Belcom." COMSAT Corporation, 13 FCC Rcd 2714, 2726 (1998). Indeed, the Commission has expressly held that COMSAT did not violate Section 201(c)(8) of the Satellite Act by purchasing stock in BelCom. Id. Accordingly, the statements in COMSAT's 1998 Opposition do not constitute an admission against interest, and there is no basis for revisiting the Commission's decision as to the legality of COMSAT's acquisition of BelCom.

Likewise, there is no basis for revisiting the baseless accusations that petitioners and their attorney, Robb, have been making against COMSAT since 1995. The Commission should be aware, however, that on April 28, 1998, the Court of Chancery of the State of Delaware found that Robb had engaged in a "dedicated campaign designed to harass and publicly embarrass BelCom and its affiliates [i.e., COMSAT], as well as individuals associated with those entities." BelCom, Inc. v. Robb, Civil Action No. 14663 (Apr. 28, 1998) (Letter Decision of William B. Chandler III, Chancellor). Specifically, the Delaware Court found that:

Robb orchestrated a massive effort to intimidate BelCom, CII, COMSAT and others into submitting to his fee demands as a means of avoiding the nuisance value caused by his relentless attacks on the company. Robb has created fictitious committees and drafted untold pleadings and letters, most of which were signed by Whitely and Hallenbeck, and forwarded to the Federal Communications Commission, the Securities and Exchange Commission, various federal officials, including the Attorney General and the Vice President of the United States, all in an effort to pressure BelCom or COMSAT to pay Robb the fees that he demands.

Robb was fined and sanctioned by the Delaware Court for his conduct in the <u>BelCom</u> litigation. Moreover, in 1992, Robb was held in civil contempt for engaging in similar tactics in another FCC proceeding. <u>See Rhode Island Hospital Trust National Bank v. Howard Communications Corp.</u>, 980 F.2d 823 (1st Cir. 1992). Thus, the Commission should see this Petition for what it is: yet another attempt by Robb and his associates to extract a financial settlement from COMSAT by abusing the regulatory process.

Respectfully submitted,

COMSAT Corporation

Keith H. Fagan Its Attorney

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July 13, 2000

## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **Opposition of COMSAT Corporation** was served by first class U.S. mail, postage prepaid, this 13<sup>th</sup> day of July, 2000 to the following:

Litigation Recovery Trust William J. Hallenbeck William L. Whitely Scott H. Robb 515 Madison Avenue New York, NY 10022

Keith H. Fagan

July 13, 2000